

Vinkenburg, C., Jansen, P., Dries, N., Pepermans, R. (2014). Arena: A critical conceptual framework of top management selection. *Group & Organization Management*, 39 (1), 33-68.

Abstract

While the selection of top managers is vital to the performance and survival of organizations, the process by which these managers are selected remains uncharted territory. In this conceptual article, we propose that both structural conditions of and the selection process for top management positions are different from those at lower organizational levels. We build on the existing literature on succession, tournament models, and promotion systems to characterize top management selection. The main situational component of this characterization is that of relative versus absolute selection, which leads us to adopt the “arena” as a metaphor and critical framework for top management selection. Finally, we argue that due to certain cognitive features, the arena is an efficient but not necessarily effective selection process, which may contribute to side effects and negative outcomes for organizations. We conclude by setting the agenda for further research on top management selection.

Keywords: selection, top management teams (TMT), CEO, promotion, succession

While the selection of top managers is vital to the performance and survival of most if not all organizations, the process by which these managers are selected remains largely uncharted territory. Increasingly common stories of executive failure have led some experts in the field to question whether this failure is a direct result of executive *selection* failure (Hollenbeck, 2009a; Zaccaro, 2010). But even without taking failure into account, there is a dearth of knowledge in research and practice on *how* selection decisions for top managers and especially CEOs (chief executive officers) are made. To enhance our understanding of top management selection, Hollenbeck (2009a) argues that the selection of top managers should be differentiated from selection at lower hierarchical levels in organizations. In this conceptual article we start from a brief review of literature on top management and its structural conditions, explaining why the selection process for top management positions is indeed different. Next, we build on the existing literature on tournament models, promotion systems, executive selection, and (CEO) succession and succession planning, to characterize the selection process for top managers. The main feature of this characterization is that of relative versus absolute selection, which leads us to adopt the “arena” as a metaphor for an integrative and critical conceptual framework for top management selection. We will argue that the arena consists of situational components characterized as (a) situated performance in specific social work situations, (b) interpersonal competition or comparison between candidates on (c) primarily emergent selection criteria, where (d) decision makers from the dominant organizational elite decide who succeeds, and where (e) criteria for entry differ from the criteria for success. Finally, we argue that due to certain cognitive features, the arena is an efficient but not necessarily effective process, which may contribute to side effects and negative outcomes for organizations. We conclude by setting the agenda for further research on the top management selection process.

With this contribution to the third special conceptual issue of *Group & Organization Management* we aim to provide insight into and understanding of the actual selection process at top management levels in organizations by taking an approach to theory development that entails equal measures of spotting knowledge gaps and of constructing mystery (Alvesson & Kärreman, 2007). We propose a critical and integrative conceptual framework that can serve as a roadmap for the empirical study of the process of selecting a candidate for a top management position within a given organization. In doing so, we also contribute to the understanding of executive failure and executive selection failure.

When we talk about top management positions or top managers we refer to the CEO, executive committee (ExCom) members, executive board members or “inside directors,” top management team (TMT) members, and their direct reports. Therefore, we focus on a relatively small number of people or positions inside large scale organizations with several hierarchical levels. As “executive” is not a commonly used term outside the context of Anglo-Saxon corporate governance systems with a one-tiered board, we prefer to use the more generic term “top managers.” When we talk about selection, we refer to the selection of internal candidates (by means of promotion and succession planning) and not to the selection of external candidates (by means of executive search and hiring). This delineation serves to reduce the complexity of our argument, even if the formal and informal selection procedures (Withers, Hillman, & Cannella, 2012) and the basic cognitive processes used in internal and external selection decisions are quite similar (Perry, Davis-Blake, & Kulik, 1994). This delineation is justified further by the evidence of relatively limited external mobility among executives (Hamori & Kakarika, 2009), with a stabilized percentage of around 25% outsider appointments of CEOs in the last decade in both the United States and Western Europe (Booz & Company, 2011). In most cases, therefore, a positive (or effective) outcome of the internal selection process implies promoting an optimal candidate for the position.

Top Management Levels in Organizations

Two distinct theoretical traditions describe the unique nature of top management levels in organizations and how positions and structural conditions at these levels differ from other hierarchical levels in organizations. Theories of executive leadership and in particular stratified systems theory (Hooijberg, Hunt, & Dodge, 1997; Hunt, 1991; Jaques & Clement, 1991; Zaccarro, 1996) highlight the increasing complexity of managerial tasks and especially decision making at consecutive hierarchical levels. The second theoretical tradition is known as the upper echelon perspective (UE) and highlights the significant impact of demographic characteristics (e.g., functional expertise) and composition of top management teams (TMT) on strategic decision making and organizational performance (cf. Hambrick & Mason, 1984; Carpenter, Geletkanycz, & Sanders, 2004). Hambrick, Finkelstein, and Mooney's (2005) conceptualization of executive job demands (e.g., extreme pressure, limited resources) and "executive hubris" (i.e., exaggerated self-confidence) adds to our understanding of the structural conditions as well as cognitive features of top management decision making. At the same time, Hambrick (2007), in reflecting on the UE perspective, emphasizes the difficulty inherent to obtaining psychometric data from those in top management positions. Taken together, the stratified systems theory legacy and the UE tradition provide irrefutable evidence that *top management matters* for organizational performance and survival and that it makes sense on account of its unique nature to distinguish top management from other management levels. However, neither approach can predict who will ultimately become a TMT member (e.g., Hambrick, 2007), nor do these approaches describe how the selection process for top managers takes place. In addition, no studies based on either framework compare individuals appointed as top managers to "candidates who were considered but not selected" (Magnusson & Boggs, 2006, p.108). In sum, these informative and influential approaches shed some light upon but do not solve the mystery of top management selection.

Structural Conditions of Top management Decision Making in Organizations

In order to help uncover the mystery of how top managers are selected, we use the theoretical approaches on top management levels to distill several structural conditions that we consider unique to top management levels in organizations and that have considerable influence on any decision making process at top management levels, including selection decisions. While this description and listing of structural conditions is not meant to be exhaustive, it serves the purpose of enhancing understanding and conceptualization of the selection process for top management positions.

As a first structural condition, we adopt the key proposition of the stratified systems theory, namely that at each consecutive level in the organizational hierarchy, the complexity involved in decision making increases (Jaques & Clement, 1991). This *high level of complexity* at top management levels is largely due to interaction with and dependency on various stakeholders (e.g., employees, shareholders, customers, and competitors). Stakeholders occupy diverse positions both within and outside the organization, representing a host of different and often conflicting interests. Furthermore, any decision made at the top management level requires taking into account various economic or financial, political, socio-cultural, and technological considerations, with respect to both the short and the long term (Carpenter & Frederickson, 2001; Hooijberg et al., 1997; Hunt, 1991; Zaccaro, 1996). The context in which decisions at the strategic level are made is marked by instability, ambiguity, and uncertainty due to incomplete information (Jaques & Clement, 1991). Accordingly, complexity is the foremost structural condition of top management decision making, including succession and selection decisions.

A second structural condition of the selection process for top management positions is *high visibility*. This condition is directly linked to interaction with and dependency on key stakeholders (Harrison, Torres, & Kukalis, 1988), who often control important resources

(Pfeffer & Salancik, 1978). As top managers partly act as figureheads representing their organization both inside and outside (Mintzberg, 1975), a CEO succession event is often breaking news. This kind of high visibility further increases stakeholder dependency, as described by resource dependency theory (Pfeffer & Salancik, 1978). Because of this dependency, key stakeholders are by definition involved in who gets selected. Visibility also makes top managers the key target for symbolic gestures such as enforced turnover after a take-over (Walsh, 1988).

A third structural condition of top management selection is that many situations in which decision makers and candidates operate can be characterized as relatively *weak*, meaning, there are few clues as to what are appropriate behavioral responses (Bell & Staw, 1989; Mischel, 1973). In weak situations, individuals do not share a common perception of what behavior is expected of them (Beaty, Cleveland, & Murphy, 2001). In contrast, in strong situations there is less ambiguity and uncertainty about expected behaviors. In alignment with the relative weakness of the situation, the job description of a top management position is typically quite open, without a pre-determined set of job characteristics and often without objective criteria for performance (Stumpf & London, 1981). In fact, the relationship between behavior and results for top managers is rather loose (Hollenbeck, 2009a), and there is no “one best way” to do things at the executive level. Therefore it is left to the managerial discretion of decision makers (i.e., incumbent top managers) to define (and to candidates to figure out) what appropriate success criteria are (Hambrick & Finkelstein, 1987).

A fourth structural condition of selection for top management positions is *high risk*, both for decision makers (often incumbents of top management positions themselves) and candidates. The risk is not only related to high complexity and visibility inherent to top management decision making, but also to possible consequences for those involved in the selection process. Top management selection decisions typically involve high risk for

decision makers because the selected candidate will become a member of the dominant elite (Hambrick & Mason, 1984), and in time may even become their boss. The risk is also directly related to material outcomes, in that the process of CEO succession affects share prices (Husona, Malatesta, & Parrino, 2004). But there is also high risk involved for candidates, because they potentially stand to lose a lot. Their reputation and status could be visibly damaged if they are not selected or if they fail in the position. For many, rejection in this phase implies exiting the organization, as vividly described in Cannella and Shen's (2001) article on CEO heirs apparent.

A fifth structural condition of top management selection involves the (potential) *use of power* (Brass & Burkhardt, 1993; Ocasio, 1994; Westphal & Zajac, 1995). Access to and adequate use of power is the key to top management success (Kanter, 1979). Different types of decision power and power dynamics are important determinants of how decisions are made in any TMT (Finkelstein, 1992), with considerable impact on CEO succession decisions (Shen & Cannella, 2002). Candidates for top management positions are powerful on account of their accumulated experiences, reputation, and access to internal and external networks (Zhang & Rajagopalan, 2004), which allows them to make realistic threats, such as leaving for the competition (Giambatista, Rowe, & Riaz, 2005). Since top managers operate in situations that are relatively weak and often unstructured, there is ample room for the discretionary use of power (Kanter, 1979).

In summary, we argue that under structural conditions of high complexity, high visibility, weak situations, high risk, and high power use, top management decision making will differ considerably from decision making at lower levels of management, which also holds for selection decisions. Following Hollenbeck (2009a), we call for differentiating top management selection from selection at lower levels, as these processes are decidedly different. Top management selection under such structural conditions is a textbook example

of “judgment under uncertainty” (Kahneman, Slovic, & Tversky, 1982), which renders traditional selection procedures less likely to occur and less appropriate at top management levels. Our first proposition refers to this difference between top management selection and lower level selection based on structural conditions of top management levels in organizations (see Figure 1, later in this article).

Proposition 1. Under one or more of the following structural conditions: (a) high complexity; (b) high visibility; (c) weak situations; (d) high risk; and (e) high power use, top management selection will be different from lower level selection to a larger extent.

Beyond what we know about these structural conditions, and in spite of the clear need for further research on and conceptualization of top management selection (Hollenbeck, 2009a), there are surprisingly few peer-reviewed journal articles on top management selection, executive selection, or top management promotion. There are, however, some related research traditions relevant to our conceptualization of top management selection: tournament theory (Rosenbaum, 1979) and upward mobility systems (Ishida, Su, & Spilerman, 2002) as well as promotion decision models and promotion systems theory (Ferris, Buckley, & Allen, 1992; Stumpf & London, 1981). Furthermore, we briefly address research on human resource (HR) practices related to executive and director selection (Hollenbeck, 2009a, 2009b; Withers et al., 2012), and CEO succession and succession planning (Cappelli, 2011; Giambatista et al., 2005). On the one hand, these sources serve to illustrate relevant aspects, antecedents, and consequences of top management selection. On the other hand, these sources implicitly or explicitly serve to underline the existing lack of theorizing and research on top management selection.

Upward Mobility Systems and Tournament Theory

Upward mobility systems such as contest versus sponsored mobility (Turner, 1960) and tournament models (Rosenbaum, 1979) provide insight into selection decisions and managerial careers. Contest mobility refers to an open market for top positions, where candidates are continuously screened and where performance determines success. Because candidates can later compensate for poor performance in earlier stages, the selection for top management positions occurs relatively late in the career (Turner, 1960). Sponsored mobility refers to a closed market for top positions, with early screening for potential (and thus elite creation), and where origin and background determine success. Because speed of advancement accelerates for the chosen few, the selection of candidates for top management positions occurs quite early in the career. Sponsors are members of the dominant elite (typically top managers themselves) who use their influence to advocate for candidates and actively create career opportunities for them (Ibarra, Carter, & Silva, 2010; Turner, 1960). In contrast to these ahistorical systems that are path independent, Rosenbaum (1979) proposed a *historical* model, in which advancing to the top is modeled as taking part in a tournament, where candidates compete continuously for promotion (Green & Stokey, 1983; Schwarz & Severinov, 2010). Each round of the tournament consists of one or more competitions in which two or more candidates compete (Conyon & Sadler, 2001). Only the “winner” is able to participate in a new competition for an even higher level position. A tournament promotion procedure is economically efficient when monitoring of individual performance is difficult (Lazear & Rosen, 1981). Since tournament theory was considered too restricted to serve as a model for actual promotions (Tong & Leung, 2002), dynamic tournament models have been proposed (Schwarz & Severinov, 2010; Tong & Leung, 2002), in which promotion is determined by the cumulative result of a large number of competitions, and where “losers” of a competition remain in the tournament.

Ishida, Su, and Spilerman (2002) evaluate different conceptual mobility systems using personnel records from two companies. Based on their findings, and inconsistent with the predictions of tournament theory, the promotion process could be described as a “two-step process of selection: the gate-keeping model, which filters out a small portion of employees who do not meet the minimum standards, and the contest model, which allows the remaining employees to compete for higher positions without being affected by their earlier performance” (Ishida et al., 2002, p. 179). As only a limited number of candidates gets access to the top management selection process, in this type of selection the so-called gate-keeping function is crucial in making sure resources are reserved only for the lucky few (Ishida et al., 2002). Gate-keepers are those organizational players who by the nature of their power can either provide or deny access to jobs, internal promotions, or developmental opportunities (Bosley, Arnold, & Cohen, 2007).

In contrast to Ishida et al. (2002), Graen, Dharwadkar, Grewal, and Wakabayshi (2006) do find support for an early-screening, one-stage model. Graen et al. (2006) argue that the apparent use of “a two-stage process may be a management technique to encourage competitive behavior” (p. 157), similar to contest mobility.

Although these theoretical traditions related to mobility systems are highly relevant for our understanding of the selection process for top management positions, it does not enhance our insight into who gets selected, how selection is done, and on what criteria selection is based. Still, it serves as a source of inspiration in terms of modeling the selection process as stages and competitions resulting in a rank-ordering of candidates, with gate-keepers and sponsors, winners and losers.

Promotion Decisions and Systems

Another theoretical tradition relevant to top management selection refers to promotion systems and management promotion decisions. Ferris and colleagues (1992) proposed a

theory of organizational promotion systems, modeling the relationships between antecedents (e.g., organizational factors), promotion system characteristics (e.g., role of politics), and outcomes (e.g., organizational performance, turnover). Some of the relationships in this model have consequently been empirically tested (Allen, 1997). However, the different promotion types (e.g., “from-within”) and methods (e.g., “informal nomination”) distinguished in the model are not described in much detail and it is not clear how these differences affect promotion outcomes. Stumpf and London (1981) develop a model of the decision process regarding management promotions, including antecedents (e.g., promotion system and policies, attributes of the decision maker), the decision process itself (e.g., search for, evaluation of, and choice of candidates), and outcomes (e.g., promoting the best available candidate). Organizations often rely on their performance appraisal systems to provide a criterion for promotion decision effectiveness (Stumpf & London, 1981), which means that the content of performance appraisals at higher organizational levels can serve as a standard or target for promotion to those levels. Furthermore, when the appraisal is done by a top manager, the social context of promotion-oriented performance appraisal systems becomes important. Appraisal in that case is less a matter of rater accuracy or measurement validity and more of social dynamics (Levy & Williams, 2004). This conceptualization highlights important aspects of the management promotion decision, such as the role of the decision maker and the relationship between effectiveness estimates and objective indices (Stumpf & London, 1981). However, its suggestions for further empirical research have received little follow-up and its propositions have not been tested. Furthermore, Stumpf and London (1981), while referring to the “creation of vacancies down the organizational hierarchy, requiring a chain of promotion decisions” (p. 539), do not address whether the hierarchical level (i.e., top management compared to lower management) affects the nature or the outcomes of the decision making process.

In summary, while certainly relevant to top management selection in terms of identifying relevant characteristics, antecedents, and outcomes of promotion systems and promotion decisions, the theoretical traditions described here do not provide sufficient information about selection for top management position as a unique process.

Research on Relevant HR Practices

Our literature review on the structural conditions of top management levels in organizations, including decision making, mobility systems, and promotion decisions has provided the necessary but still insufficient basis for a conceptualization of top management selection. In this section we therefore briefly describe and review the state of the art in empirical research on HR practices relevant to the selection process for top management positions, namely executive and director selection, succession planning, and CEO succession.

Executive and director selection. In their review of recent trends in the selection literature, Viswesvaran and Ones (2010) outline what they call *the predominant selection model*. While a variety of models of personnel selection exist, Viswesvaran and Ones (2010) posit that their model captures the ground rules of most existing employee selection models: (1) identifying the requisite tasks and domains of behaviors to be exhibited; (2) identifying the knowledge, skills, abilities (KSAs), and other characteristics needed to accomplish those tasks and behave in ways that facilitate the organization's goals; (3) generating a pool of applicants for the job; (4) developing predictor measures to assess individual differences in the requisite KSAs and other characteristics among the applicants; (5) administering the predictor measures to the applicants; and finally (6) choosing, on the basis of their predictor scores, those applicants most likely to succeed as employees. Zaccaro (2010), in an extensive review of both scientific and practitioner oriented sources on executive selection, argues that the process of selecting top managers, while ideally reflecting the steps of the predominant selection model as outlined by Viswesvaran and Ones (2010), is more complicated than and

qualitatively different from selection at lower levels. The main issue in executive selection, however, according to Zaccaro (2010), is that decision makers (often executives themselves) who select top managers typically do not possess, or use, the knowledge and skills needed to accomplish successful executive selection.

Recently, Hollenbeck (2009a) effectively argued that high rates of executive failure and the virtual absence of I/O psychologists in making executive selection decisions demand a better understanding of the executive selection process, even if executive failure is not necessarily attributable to failure of executive *selection* (Hollenbeck, 2009a; 2009b). As a starting point, Hollenbeck (2009a) called for differentiating executive selection from selection at lower levels, mainly because, as argued previously, top management positions are very different than lower levels jobs, because there is a loose coupling between executive behavior and results, and because there is no “one best way” to do things at the executive level. Similarly, Fernández-Aráoz (2005) shows that there is inherent difficulty in determining what is needed in terms of KSAs for top management positions, because “what is needed today can be quite different from what is required tomorrow” (p. 66). In addition, “most senior executives have precious little time for a thorough evaluation and are likely to be extremely concerned about the confidentiality of the process [...]. As a result, their participation in any assessment will likely be very limited” (Fernández-Aráoz, 2005, p. 66).

Sebora and Kesner (1996), in a review and conceptualization of CEO selection, state that the final selection decision does not indicate the realities of the decision making process, both in terms of how the decision was made and who participated in the decision making. In order to understand the decision process involved in CEO selection, Sebora and Kesner (1996) propose a model that includes three selection components with a basic order: aspiration, judgment, and justification. Sebora and Kesner (1996) propose that the actual ordering of these components and especially of the justification of the decision depends on

three important situational factors, namely (1) the performance of the organization, (2) the availability of qualified candidates, and (3) the standardization of the CEO's task description at the moment of the succession decision. While certainly interesting, according to our best knowledge, their propositions have not yet been tested in further research.

In their recent review of literature on and conceptualization of the process of director selection, Withers et al. (2012, p. 245) describe the decision process as the "formal process by which individuals are identified, screened, nominated, and elected (appointed) to corporate boards." Integrating the dominant and often opposing rational and social perspective on director selection, they identify several relevant firm, board, candidate, and environmental or contextual determinants of director selection, but they fail to conceptualize *how* the actual selection process takes place and how informal practices may shape the appearance and order of the formal process, let alone its outcomes.

Succession planning and CEO succession. Cappelli (2011), in a recent and extensive review of succession planning, defines succession planning as the "process of anticipating and planning for the replacement of important employees in an organization" (Cappelli, 2011, p.673). Cappelli (2011) identifies four steps that are fundamental to succession planning: (1) identification of vacancies likely to occur, (2) forecasting the turnover rate, in terms of when and where vacancies will occur, (3) identification of candidates, and (4) leadership development. While there is considerable overlap between succession planning and (executive) selection as described previously, especially in step 3, succession planning is not aimed at selection for (or predicting performance in) a particular job, but rather a category of jobs, such as senior management (Cappelli, 2011). Two extensive reviews of empirical studies on succession events exist (cf. Kesner & Sebra, 1994; and Giambattista et al., 2005, which covers studies published after 1994), each looking at the antecedents, characteristics, and outcomes of the succession event. A separate research tradition looks exclusively at CEO

succession (e.g., Bommer & Ellstrand, 1996; Pitcher, Chreim, & Kisfalvi, 2000), in some cases linking this type of research directly to the upper echelon perspective (Karaevli, 2007).

Beyond studying the effects of CEO succession on organizational performance, one of the central issues in CEO succession research appears to be the decision to appoint an internal *heir apparent*, an internal *non-heir*, or an external *outsider* (Cannella & Shen, 2001; Shen & Cannella, 2002; Zhang & Rajagopalan, 2004). An emerging field is the growing influence of executive search firms in CEO succession, which has resulted in large parts of the succession process taking place outside the organization (Cappelli, 2011). Overall, and in contrast to executive selection, succession appears to be a well developed research topic. However, Lin and Li (2004, p. 33), identify “an alarming lack of systematic consideration” of the broader context in the succession literature. In addition, Cappelli (2011) argues that despite all of the evidence collected on succession events, we still do not know very much about the details of the executive succession *process* and about succession planning as such. This knowledge gap exists because most empirical studies of succession have been done from a financial and/or strategic rather than a HR or social perspective. Magnusson and Boggs (2006, p. 108) show that only a few succession studies looked at the “events leading up to selection” (Cannella & Shen, 2001; Vancil, 1987), or at the “pool of candidates considered for an available CEO position” (Zhang & Rajagopalan, 2004).

In conclusion, empirical evidence on the top management selection process itself is very limited and the few other relevant conceptualizations we were able to find have rarely received follow-up. Our literature review of several theoretical traditions and research on relevant HR practices has provided us with some insights into top management selection, while at the same time highlighting that much remains to be discovered about the selection process for top management positions.

Conceptualization of the Arena

Based on our description of the structural conditions for top management selection and the proposed distinction between selection at lower and higher hierarchical levels in organizations, we propose a critical and integrative conceptual framework for top management selection, using the metaphor of the “arena”. Our conceptual framework is visualized in Figure 1, with different structural conditions, situational components, and cognitive features of the arena connected by means of numbered arrows representing each research proposition. First, we argue in detail why selection at the top management level is relative rather than absolute.

Absolute versus Relative Selection

Stumpf and London (1981) discuss different types of decision rules used for screening candidates for management promotion decisions. These rules differ in the degree to which candidates are evaluated on their own merit versus compared to each other. As a function of the structural conditions described previously, it is proposed that selection at lower levels in organizations is more likely to involve evaluations of individual merit, whereas selection for top management is likely to involve interpersonal comparisons. In CEO succession, Sebor and Kesner (1996, p.185) find that “the process generally involves an initial non-compensatory evaluation on some ‘absolute’ or threshold criteria. These threshold criteria are few [...]; Candidates who do not meet threshold values are eliminated. This initial evaluation is followed by another evaluation, the purpose of which is to allow the board to select one candidate from among those who satisfied the threshold values. This second evaluation is based on ‘comparable’ (or compensatory) criteria,”

Following Sebor and Kesner (1996), we argue that at lower organizational levels, absolute selection is the norm. *Absolute* refers to the comparison of a candidate to a pre-determined standard or threshold and is not meant to imply objectivity, because subjectivity

and decision bias may play a considerable role in any selection process (Highhouse, 2008; Perry et al., 1994). In the selection process for lower level positions, candidates' personal attributes (such as intelligence and motivation) are measured, and subsequently summarized (using attribute weights and a combination rule) in a personal attribute end score, as is common in assessment centers (Jansen & Vinkenburger, 2006). Ultimately, candidates with the largest attribute sum score are selected. This process takes the form of choice optimization. Properties of absolute selection are explicit selection criteria, explicit personal attributes, objective measurement (e.g., by a general mental ability (GMA) test or a standardized interview with large validities), and individual procedures, in the sense that applicants are not in direct competition with each other.

In contrast, we propose that the selection process for top management positions is predominantly structured as *relative* (or compensatory, Sebor & Kesner, 1996) selection. Personal attributes are not explicitly measured, there is no compilation of some sort of personal end score on a pre-established set of attributes, and the use of formalized selection methods, including interviews and assessment centers, is limited (Zaccaro, 2010). Instead, candidates are directly compared on their overt behaviors or attributes in a specific and critical work situation—e.g., giving a presentation or negotiating a deal. Candidates are interpersonally compared by other top managers on their effectiveness in handling the situation and, in the case of more than two candidates, rank-ordered. We propose that in the case of management selection, absolute selection and relative selection are ordered in a fixed sequence across the hierarchy. Lower levels are characterized by absolute selection, top levels by relative selection. This distinction is similar to the two-step process of selection described by Ishida et al. (2002), with the gate-keeping model in the first step and the contest model in the second step. However, the transition from absolute to relative selection is gradual and

likely to be context specific, thus making it difficult to make a general prediction as to exactly when one type of selection replaces the other.

Proposition 2. Decision rules in the arena differ from those for lower-level selection, such that relative or compensatory selection is more prevalent at top management levels and absolute selection is more prevalent for lower level selection.

Following tournament theory (Rosenbaum, 1979), candidates who are successful at lower organizational levels where absolute selection is the norm, may ultimately gain admittance into the arena as a “prize,” which guarantees a minimal competency level of all candidates present in the arena. Once inside the arena, at higher organizational levels where relative selection is the norm, success or the “prize” implies the attainment of a top position, ultimately that of CEO. In analogy with literary prizes or executive searches, candidates may get long-listed (i.e., allowed to enter the arena), may get short-listed (i.e., judged to be successful in arena situations), and may win the prize (i.e., granted a top management position). Following Hollenbeck (2009b), we view top management selection as a part of a comprehensive succession process, rather than a static decision at a given point in time, entailing series of interpersonal comparisons of candidates by decision makers.

Situational Components of the Arena

Following from the qualification of top management selection as relative, we conceptualize the arena to represent the selection process for top management positions, characterized by (a) situated performance in specific social work situations, in which (b) interpersonal competition and comparison between candidates takes place on the basis of (c) primarily emergent selection criteria, where (d) decision makers from the dominant elite decide who succeeds. Further, we propose that (e) criteria for admittance or entry into the arena differ from the selection or success criteria salient in the arena itself. These situational components of the arena are visualized in Figure 1 and will be explained here in more detail.

Situated performance in arena situations. In the arena, selection decisions are based on situated performance (Anand & Watson, 2004); that is, on interpersonal behaviors in specific social and real life work situations, rather than on outcomes of formalized and standardized methods such as test scores or assessment centers with its artificial situations. Anand and Watson (2004, p. 66) follow Goffman (1959) “in understanding situated performance as a dramaturgical interaction that is socially negotiated between performers and their audiences in very specific contexts.” Depending on the aim of the selection process, the setting of this kind of situation can be intra-organizational or inter-organizational (Anand & Watson, 2004). Intra-organizational examples of such arena situations are client presentations, board meetings, and shareholder councils. Examples of inter-organizational situations are networking events or meetings of partners in strategic alliances. Often, informal inter-organizational situations (e.g., a golf tournament) are organized as mechanism for acquiring and reinforcing reputation. Tournament rituals and ceremony play an important role (Anand & Watson, 2004). Arena situations often have a dramatic and highly competitive appearance similar to sports matches or battle fields where matches or duels are played out openly in the presence and collective attention of the dominant elite (i.e., top managers). This dramatic appearance is evidenced in the frequent use in discourse on top management selection and CEO succession of metaphors of competitive games, duels, and even warfare (e.g., “passing the baton,” Vancil, 1987; “headhunting,” Hamori, 2010).

Proposition 3: The degree of formalization and standardization of the selection process differs between arena and lower level selection, such that (a) selection policies and procedures in the arena are often less formally delineated than for lower level selection, and (b) selection is more often based on situated performance in social situations in the arena than in lower level selection.

Interpersonal comparisons by decision makers. In the absence of normative standards for executive selection, the best alternative solution (especially when there are only a few candidates) is direct interpersonal comparison (Ones & Dilchert, 2009). Indeed, the relative nature of selection of candidates for top management positions in social work situations ideally requires both candidates' and decision makers' presence in the *same* situation. This presence allows for interpersonal comparisons of visible social behaviors of candidates by decision makers. The decision makers in the selection process for top management positions typically are current top managers and/or non-executive board members, who represent the dominant elite or coalition of the organization (Hollenbeck, 2009a; Zaccaro, 2010). As argued by Stumpf and London (1981), these decision makers can have a strong impact on both the decision process and its outcomes, especially when policies and procedures for the identification and evaluation of candidates are not delineated.

Proposition 4: Top management selection is more effective when direct interpersonal comparisons of candidates can be made by decision makers, requiring candidates and decision makers to be physically present in the same social situation.

Selection criteria. While selection criteria at lower organizational levels are often pre-determined, well described, and transparent for organization members (Viswesvaran & Ones, 2010), some if not all selection criteria for top management positions appear to be emergent—i.e., they arise from the situation at issue. The emphasis is on overt, interpersonal behaviors of candidates in social situations—situated performance (Anand & Watson, 2004). However, in most arena situations there are no pre-determined lists of behavioral criteria with matching rating scales as there would be in assessment centers (Zaccaro, 2010). Furthermore, if criteria emerge from the situation, the same behavior, such as speaking in a loud voice, may be helpful in one situation (e.g., taking the lead in a group discussion), but detrimental in another (e.g., displaying appropriate table manners). In addition to behavioral criteria for

selection, a host of personal attributes, mere presence in a particular situation, covert or even hidden selection criteria, as well as non-performance factors may play a considerable role in the selection process (Beehr & Taber, 1993). Useem and Karabel (1986) describe pathways to the boardroom, showing that an upper class background increases the likelihood of rising to the top ranks of corporate management. Even if the influence of elite social and educational credentials on U.S. board appointments is not always evident (Westphal & Stern, 2006), such credentials may have a strong influence in top management selection processes (Hambrick, 2007). In France for example subtleties of language, such as accent and style, are a major factor in upward mobility and preserving privileges (Bourdieu, 1989; Hambrick, 2007).

The emergent nature of selection criteria combined with structural conditions, such as the weak nature of the situation and open job descriptions for top management positions, leave latitude of action for the dominant elite. This latitude opens the possibility of selection decisions based on irrelevant but clearly visible attributes, such as gender, race, age, attractiveness, dress, and manners (e.g., Stumpf & London, 1981). As argued previously, the arena allows for the occurrence of contest mobility, of sponsored mobility, or of a combination of both (Ishida et al., 2002). In a situation of contest mobility, we expect that the dominant selection criterion is situated performance or behavior in arena situations (e.g., introducing a new client, presenting an innovation award), making success contingent upon the organizational context and the specific setting. In a situation of sponsored mobility, we expect that hidden selection criteria become more dominant, such as having a particular sponsor, alma mater, or socioeconomic background.

Proposition 5: Selection criteria used in the arena are different from those used for lower level selection, such that (a) arena criteria are less likely to be predetermined and are less formalized than lower level selection criteria and (b) arena criteria more often emerge from the situation than lower level selection criteria.

Arena entry versus arena success. As described by Ciampa (2005), “at the very top of a company, a subtle sorting process reveals who might become CEO and who won’t. The irony is, what makes you a contender isn’t enough to make you a winner” (p. 46). Following the notion of a two-step process of selection described by Ishida et al. (2002), we argue that the selection criteria that predict which candidates will enter the arena (i.e., who will be considered for top management positions) differ from selection criteria that predict success in the arena (i.e., who will achieve a top management position). The exact moment or time of entry into the arena is hard to predict and may depend strongly on the type and size of the organization. Here the focus is on what determines arena entry versus arena success.

A meta-analysis of studies on predictors of objective career success (Ng, Eby, Sorensen, & Feldman, 2005) shows that human capital (e.g., experience, education) is an important salary determinant, while social capital (e.g., network access) and sponsorship are especially important determinants of promotion. In addition to human and social capital, Kanter (1977) argues that reputation is crucial when being considered for a top management position, especially because at these levels measuring and monitoring individual performance is often difficult (Lazear & Rosen, 1981). Furthermore, Bourdieu (1989) addresses the crucial importance of cultural capital in organizational careers. Cultural capital refers “to attributes related to taste [...], art, education and forms of language” (Tatli & Özbilgin, 2012, p. 192), acquired as a product of socialization within a certain social class. Candidates who embody cultural capital (e.g., through language or taste) similar to that of the dominant organizational elite are more likely to be considered for promotion (Tatli & Özbilgin, 2012).

We argue that arena entry is predominantly determined by human capital factors, such as education, experience, competence, and an individual track record of excellent performance (Hambrick & Mason, 1984; Ng et al., 2005). Organizational “career logics” shape managerial careers as a roadmap for the acquisition of firm specific human capital in

terms of relevant experiences and responsibilities (Gunz, 1988). Reputation matters as decision makers, often through their network (Gersick, Bartunek, & Dutton, 2000; Seibert, Kraimer, & Liden, 2001), “know” whether a candidate has been effective at lower levels. When early performance is the only criterion used to decide on arena entry, which is likely under conditions of contest mobility, candidates essentially start with a “clean slate” in the arena (Hurley, Wally, Segrest, Scandura, & Sonnenfeld, 2003). When other factors matter (e.g., prestige of degree), which is likely under conditions of sponsored mobility, relatively late entrants to the arena may still have the advantage a good reputation (Kilduff & Krackhardt, 1994).

The transition from lower management to top management has been described in terms of critical career passages or transitions (Charan, Drotter, & Noel, 2001). For each passage to be successful, the acquisition of transitional skills (i.e., learning what is needed to make it from one level to the next) is required. Ibarra, Snook, and Guillen Ramo (2010) conceptualize leadership development in terms of the identity transition involved in moving to more senior levels. Similarly, the “changing-tasks” model described by Mitchel (1975) implies that moving up and across the hierarchy requires the mastery of different skills. While functional competencies and intellectual abilities are necessary for performing well at lower levels, interpersonal competencies are necessary for moving up and for performing well at higher levels (Hogan, Curphy, & Hogan, 1994; Luthans, 1988). Operational competence over time becomes a negative predictor of objective career success in management (Boudreau, Boswell, Judge, & Bretz, 2001; Jansen & Vinkenburger, 2006). When relative selection is dominant, intelligence (or general mental ability, GMA) may well be a non-significant predictor of who wins the CEO succession contest. GMA’s positive effects on executive performance are likely to be “cancelled out” in interpersonal comparisons, not because there

is no variability in GMA among executives (Ones & Dilchert, 2009), but because at the very top GMA is not what makes the difference.

As a consequence, while arena entry is mainly determined by human capital and reputation, arena success (i.e., achieving a top management position) will depend largely on social capital and related social skills (Brass, Galaskiewicz, Greve, & Tsai, 2004). Being able to secure benefits and resources by virtue of membership in social networks (Portes, 1998) is crucial under the structural conditions of top management as described in the previous section. As the selection process leaves latitude of action for the dominant elite to base their selection decision on emergent criteria, having a sponsor becomes essential (Ibarra et al., 2010). Kilduff and Krackhardt (1994) show that candidates' network *as perceived by others* may be even more important than their actual network. Indeed, "as reflections of social identity, networks also serve as signals to others about the current status or probable future of an individual. The ability to signal desirable traits such as competence and career advancement potential in turn affects[...] individuals' ability to attract influential actors to their network circle (Ibarra, Kilduff, & Tsai, 2005, p. 365). Cultural capital (Bourdieu, 1989) serves as a further tool to enhance one's status in the eyes of the dominant elite and to distinguish oneself in terms of behaviors and attitudes from others with less cultural capital.

Capitalizing on one's social and cultural resources requires various social skills and behaviors, with impression management and self-monitoring as particularly important attributes. Impression management (i.e., efforts to be liked and to appear competent), while a general predictor of career success, is especially effective for those who are politically skilled (Harris, Kacmar, Zivnuska, & Shaw, 2007). Similarly, self-monitoring (i.e., closely monitoring oneself in order to ensure appropriate or desired public appearances) is expected to be an important predictor of success in the arena. High self-monitors are more effective in ingratiation and self-promotion (Turnley & Bolino, 2001), more effective in networking

(Mehra, Kilduff, & Brass, 2001), and more successful as managers (Kilduff & Day, 1994).

Self-monitoring in terms of managing impressions to meet perceived TMT characteristics is a recipe for success, as Snyder and Copeland (1989) argue that high self-monitors “may be particularly willing and able to tailor and fashion an image to match the position into which they hope to be promoted” (p. 16). Finally, discriminative ability or sensitivity to situational cues (Mischel, 1973) is crucial in reading the typical weak situations characteristic of the arena, to discover selection criteria and to determine which kind of behavior to display. In summary, we propose that:

Proposition 6. Entry into the arena is decided on the basis of different factors than success in the arena: (a) human capital and reputation determine who will be admitted into the arena (i.e., who will be considered for a top management position); and (b) social capital, cultural capital, impression management, self-monitoring, and discriminative ability determine who will be successful in the arena (i.e., who will ultimately achieve a top management position).

Cognitive Features of the Arena and the Role of Decision Bias

In this section, we consider several cognitive features of the selection process for top management positions, including the role of decision bias and judgment errors. Perry and colleagues (1994, p. 793), taking a cognitive perspective on selection decisions, argue that “organizational decision makers [...] are imperfect evaluators who render social judgments about job applicants.” Similarly, Prendergast and Topel (1993) argue that performance appraisals leave room for supervisor preferences and biases, because it is a process in which “humans judge other humans” (p. 355). Based on our description of the structural conditions and situational components of top management selection, there are several arguments as to why decision making in the arena is especially imperfect.

Rank-ordering candidates and intransitivity. As described previously, in the arena decision makers need to establish a rank-order of candidates based on pair-wise comparisons. Because it is difficult to monitor individual job performance and to measure relevant attributes of candidates for top management positions (Lazear & Rosen, 1981), decision makers often rely on *signals* of ability (Feldman & March, 1981; Hamori, 2006). A particularly important signal is outperforming competitors in arena situations. In the arena, candidates are often openly confronted with each other. In this sense, the arena appears to be an efficient selection procedure because there is no need to explicitly measure attributes. However, the question remains whether the behavior or attributes observed are relevant to and predictive of performance in top management positions.

Furthermore, series of pair-wise comparisons are likely to lead to intransitive outcomes (Suppes & Zinnes, 1963), where a loop of preference is produced similar to the game of rock, paper, and scissors. Candidate A is the winner of comparison (A, B), B is the winner of comparison (B, C), but C is the winner of comparison (A, C). Intransitivity is caused by multidimensional (multi-attribute) choice, i.e., the comparisons are based on different attributes. While candidate A may possess superior presentation skills, candidate B may be much more decisive, and candidate C may have the highest socioeconomic status. Efficiency follows from the differential weighing of the comparison outcomes, especially when this process entails a discussion among decision makers about which criterion is considered most important. Sebor and Kesner (1996, p. 185) state that this kind of interpersonal comparison followed by a discussion “allows the board to compensate a high value on one criterion for a low value on another and choose a candidate who provides the best overall satisfaction of the aspiration level.” Because of intransitivity, the arena is an efficient decision process (Payne, 1982) that is clearly popular among decision makers. However, intransitivity may result in inconsistencies across different selection rounds and to

suboptimal outcomes (i.e., when the ultimate “winner” does not prove to be the best possible candidate), especially if there is little or no discussion among decision makers.

Proposition 7. As a consequence of interpersonal comparisons and intransitivity, arena is more efficient (in term of time and money) but less effective (in terms of suboptimal outcomes) than lower level selection with its absolute and formalized selection methods.

Reducing intransitivity is difficult to achieve, as its occurrence appears to increase with the number of candidates involved, but to decrease with the number of decision makers (Gerhlein, 1983). With few formal mechanisms to manage the numbers of candidates and decision makers in most arena situations, the likelihood of intransitivity is hard to predict. However, when the outcomes of previous comparisons between candidates co-determine the outcome of subsequent comparisons, intransitivity is less likely to occur (Gerhlein, 1983). An extreme case of this kind of “history effect” occurs when losing one comparison implies leaving the arena immediately. Usually this extreme effect is not the case, however. In dynamic tournaments (Tong & Leung, 2002), “losers” are likely to stay in the arena, at least for the short term. At some point, candidates that often lose comparisons may drop out and stop competing, with negative consequences for their individual career and possibly for organizational performance (Tong & Leung, 2002). However, the two-step model of arena entry versus arena success guarantees that differences between candidates are small enough for everyone to remain motivated to compete. As absolute selection and arena entry on the basis of human capital exclude those not qualified from participation, the arena creates an impression of meritocracy, open competition, and fair play (i.e., contest mobility). At the same time, the dominant elite can exercise its influence (i.e., sponsored mobility). The arena serves to motivate “losers” to stay productive by organizing an unequal distribution of resources in an acceptable way (Anand & Watson, 2004). As a consequence, “losers” are

likely to stay in the organization, accept power inequalities, keep up the hard work, and often cooperate with former competitors who have won the prize and are now in a top management position.

Proposition 8. Arena leads to positive outcomes for organizations in terms of (a) retention; (b) commitment; and (c) contribution to organizational performance of candidates who are not successful (i.e., do not achieve a top management position).

Bounded rationality. Decision making at the highest level of the organizational hierarchy is a typical example of bounded rationality (Simon, 1987), with top management selection decisions being qualified as judgment under uncertainty (Kahneman et al., 1982). In their review and conceptualization of the director selection process, Withers and colleagues (2012) clearly recognize the bounded rationality of decision makers involved in the process. In comparing and selecting candidates for top management positions, the rationality of decision makers is bounded due to limited information, cognitions, and time. Under these conditions, decision makers will typically seek a satisfactory solution rather than an optimal one. Under structural conditions of high risk, decision makers (unconsciously perhaps) aim at loss minimization instead of choice optimization (Payne, 1982). In this sense, bounded rationality is a root cause of intransitivity.

Furthermore, when it comes down to selecting the next CEO, boards often ultimately rely on “gut feelings” (Bennis & O'Toole, 2000; Khurana, 2001), which along with intuition are considered non-rational bases for selection decisions (Mumby & Putnam, 1992).

Similarly, Zaccaro (2010) states that when it comes to top management selection, decision makers often apply ad hoc, intuitive procedures that may not produce the best outcomes.

While some say that using intuition and subjectivity in selection decisions does not explain additional variance beyond formal tests of personality and competence (Highhouse, 2008), others argue that intuition is “a rational process of learning and experience, one that becomes

automatic without systematic analysis” (Mumby & Putnam, 1992, p.471). As such, intuition and gut feelings may in some cases be valid predictors of executive performance (Sorcher & Brant, 2002). Bounded rationality may result in judgment errors, however, especially when loss minimization is combined with overconfidence or executive hubris (Hambrick et al., 2005). March and Shapira (1987, in Sebor & Kesner, 1996) conclude that managers are typically unrealistically optimistic when it comes to “real” risks, believe they can distinguish good risks from bad risks, and think they can in fact change the odds.

Another possible judgement error inherent to top management selection decisions is halo error (i.e., letting one positive attribute outshine all others), which is a serious risk in any assessment where performance and potential are judged at the same time (Fernández-Aráoz, 1999; Pepermans, Vloeberghs, & Perkisas, 2003). Furthermore, judgment errors are even more likely to occur when candidates and decision makers are *not* present in the same social situation (e.g., because of dispersed office locations), when reputation replaces behavioral evidence and when decision makers are more likely to use heuristics such as representativeness and availability (Highhouse, 2002).

Similarity attraction and homosocial reproduction. Borrowing inspiration from several related theoretical traditions, namely the similarity attraction effect (Byrne & William, 1969), attraction-selection-attribution theory (Schneider, 1987), and homosocial reproduction theory (Kanter, 1977), we posit that top management selection decisions will be positively influenced by the degree of (perceived) similarity between decision makers and candidates, causing increasing homogeneity (or homosocial reproduction) over time. Decision making is influenced by social identity processes (Haslam, 2004). Candidates who are perceived as a member of a salient in-group (i.e., the social group into which decision makers categorize themselves, such as fraternity, alma mater, or service club) are more likely to be selected than out-group members. Considering the notion that the selection criteria in the arena are

emergent, in-group favoritism is more likely to occur. Not only are decision makers more likely to be attracted to and thus to select and promote candidates that are similar to themselves in terms of personality and attitudes, but also in terms of human capital, social capital, gender, race, cultural capital, and socioeconomic background (Haslam, 2004; Fernández-Aráoz, 1999; Schaubroeck & Lam 2002). As an example, in-group favoritism serves to enhance candidates' (actual) human and social capital acquired at a highly ranked university (Useem & Karabel, 1986), resulting in bias of favor of prestigious schools (Judge, Cable, Boudreau, & Bretz, 1995). In recent reviews of studies of group-based discrimination in performance appraisal and promotion processes respectively, both Roberson, Galvin, and Charles (2007) and Avery (2011) provide compelling evidence of the existence of bias in such processes, showing a "systematic effect due to category membership (e.g., gender, race, age, disability), unrelated to actual performance" (Roberson et al., p. 619).

While selecting candidates on the basis of similarity may be effective in terms of loss minimization (Payne, 1982) and a possible solution to bounded rationality (Simon, 1987), homogeneity is not without risks in and of itself. When decision makers constitute a homogeneous group, selection decision outcomes are likely to be more biased (Stumpf & London, 1981). Decision makers, over time, acquire a generalized mental model (i.e., schema, stereotype or prototype, according to Perry et al., 1994, or implicit leadership theory, according to Offermann, Kennedy, and Wirtz, 1994) of a typical or ideal top manager, board member, or CEO. Perry and colleagues (1994) describe how such mental models guide the processing of new information and the retrieval of stored information in selection processes. Often, mental models introduce bias into the decision making process by lowering the chances for selection of those who are dissimilar to the mental model. This type of often implicit and hard to eliminate decision bias is said to be the root cause of discrimination and

of the over-representation of white men in top management positions (Tetlock & Mitchell, 2009).

In particular, gender bias is likely to be introduced into top management selection because competitiveness, assertiveness, and dominance are part of the prototype of a top manager (Perry et al., 1994). These attributes are more congruent to the male than the female gender role (Eagly & Karau, 2002). Women showing assertive behavior in arena situations may experience backlash, because their behavior violates stereotypical female social role prescriptions (Rudman & Phelan, 2008). The arena thus has a gendered nature, because of homogeneity (i.e., the majority of both decision makers and candidates in the arena are men), because of the larger congruency between the top manager prototype and the male gender role, but also because competition is inherent to top management selection. Ryan and Haslam (2007) show that in those rare cases where a woman is appointed CEO or board member, “women are more likely than men to find themselves on a ‘glass cliff’ such that their positions of leadership are associated with greater risk of failure” (Ryan & Haslam, 2007, p. 550).

In addition to increasing the risk of bias, Daboub, Rasheed, Priem, and Gray (1995) show that TMT homogeneity moderates the relationship between control systems and corporate illegal activity, because homogeneity is expected to decrease social control. Westphal and Khanna (2003) show how social control among the corporate elite may function as a tool to “keep directors in line.” In organizations where social control is limited, homogeneity may thus increase the likelihood of the occurrence of failure and fraud at the board level.

In conclusion, we argue that on account of the structural conditions and situational components of the arena described previously, the negative effects of common cognitive features of decision making on top management selection decisions are exacerbated.

Proposition 9. Compared to lower level selection, arena suffers more from (a) bounded rationality, loss minimization, decision bias, and homogeneity, resulting in (b) more side effects and negative outcomes for organizations (i.e., judgment errors, discrimination, fraud, and failure).

Discussion

Our critical framework of the arena as a metaphor for top management selection, distinguishing it from selection and promotion decisions at lower organizational levels, has provided insight into a process that remains largely uncharted territory or even a mystery, while at the same time being the subject of fascination among researchers as well as practitioners. Our conceptualization of the arena may enhance our understanding of the reasons why 70% of the variance in executive success remains unexplained (Highhouse, 2008). In fact, we venture that the very nature of the top management selection process in many organizations (e.g., based on interpersonal comparisons of situated performance, characterized by homogeneity) is part of the reason why decision makers rely on it. Furthermore, decision makers feel comfortable with this type of selection, despite growing evidence that using more rigorous and formalized selection tools and procedures may enhance the predictive validity of top management selection (Highhouse, 2008). While some authors call for more such approaches to executive selection (Hollenbeck, 2009a; Zaccaro, 2010), our main interest is in understanding and describing the existing process. In doing so, we contribute to the understanding of both executive failure and executive selection failure. Our conceptualization offers some implications for the practice of top management selection, in recommending (a) direct comparisons between candidates, with decision makers and candidates physically present in the same situation, and (b) discussion of the intransitive outcomes of selection rounds among decision makers.

However, our contribution is critical in the sense that it challenges research traditions such as the upper echelon perspective (Hambrick & Mason, 1984) by indicating how top management selection is inherently biased. Not only do TMT characteristics affect strategic decision making and organizational performance, the typical process of selecting TMT members provides ground for side effects and negative outcomes. Because of this critical viewpoint, studying the conditions under which the arena is likely to have negative outcomes is our first suggestion for further research. This type of investigation requires comparative longitudinal studies of top management selection processes and outcomes in different organizations as well as (quasi-)experimental designs to test more specific main and interaction effects of various variables on selection outcomes. From the conceptual framework as represented in Figure 1, parsimonious models of causal relationships between specific predictors and outcomes as well as hypotheses to be tested in quantitative empirical research could be developed. One suggestion for such empirical studies could be on the role of decision makers, namely the extent to which their number and relative power affect decision bias and judgment errors. Another interesting venue for further research would be the effect of timing and sequencing of different selection rounds and situated performances in the arena. Furthermore, future studies should look into how contextual factors (e.g., organizational size and age, career logics, sector, profit orientation, governance model, etc.) affect the appearance of the arena, as well as the relative or additive influence of structural conditions, situational components, and cognitive features on organizational outcomes of top management selection in different contexts.

The effort involved in designing quantitative studies on the arena may be hindered by the fact that behavior plays a central role in our conceptualization of the selection process. Typically, situated performances are difficult to witness for outsiders, let alone measure. In addition, study samples will by definition be small because the population of top managers is

small, as well. Moreover, this type of study is quite intrusive and TMTs are “notoriously unwilling to submit themselves to scholarly poking and probing” (Hambrick, 2007, p. 337). Therefore we feel that other, more qualitative research approaches may provide more insight at the next stage of theory development on the arena. We therefore promote qualitative research using approaches such as participant observation, repertory grids, narrative analyses based on insider accounts of top management selection, and discourse analysis. Three examples of such studies are Mills’ (2010) analysis of the nature and rationalization of gossip during a CEO succession process, Kumra and Vinnicombe’s (2008) study of the promotion to partner process in a consulting firm, and Bilbow’s (1998) analysis of “chair-talk” or managerial discourse in board meetings. Several others interested in studying managerial elites (e.g., Hambrick, 2007; Pettigrew, 1992) have provided inspiring examples of and ideas for getting access to a notoriously difficult to catch and busy research population.

Another promising area for future research on the arena framework relates to the continued overrepresentation of men in top management positions (Eagly & Carli, 2007; Lyness & Schrader, 2006; World Economic Forum, 2011). As an illustration of how research on top management inadvertently contributes to maintaining the gendered status quo, only two studies have explicitly incorporated gender diversity into the UE perspective (Anderson, 2003; Krishnan & Park, 2005), despite the proliferation of studies based on it. Indeed, while diversity in demographic characteristics of TMT members is a key component of the perspective, Hambrick (2007) simply ignores gender. Thinking about top management selection in terms of an arena may not only increase our understanding of the causes of the overrepresentation of men in top management positions, but may also provide inroads into improving the situation. However, we are acutely aware that by using the arena metaphor for top management selection and matching terms such as competition, winning, etc., we may inadvertently reproduce the social dominance of men in and thus the gendered nature of the

arena. In this sense, the use of a more inclusive metaphor may be a starting point for change. However, it is clear that the playing field remains uneven (Avery, 2011), as there are many impediments to promotion for others than white men in most organizations.

A final interesting idea for our research agenda is explicitly looking at the selection of external candidates, in order to test whether the general assumptions and propositions of our description of the arena for internal selection apply to the selection of external candidates (Hamori & Kakarika, 2009). It would be especially interesting to look at the growing influence of executive search firms and social media on top management selection processes (Hamori, 2010), in particular the consequences of moving the arena partly outside the organization.

In conclusion, we suggest that the arena has developed as an efficient process to support the “survival of the fittest” in top management selection. It is an appropriate way to deal with highly complex, unstable, ambiguous environments and with uncertainty due to incomplete information. This fit to the demands of the situation comes with the price of potentially negative outcomes, a cost that has remained mostly unchallenged. However, as a consequence of the current economic crisis, the demographic changes in the labor force, and the internet age, the side effects and negative outcomes of the arena have become both more manifest and less acceptable to important stakeholders as well as to the general public. The question remains whether the selection process for top management positions in its current shape and form is fit to survive the challenges of our times.

References

- Allen, G. (1997). Antecedents and outcomes of promotion systems. *Human Resource Management, 36*, 251-259.
- Alvesson, M., & Kärreman, D. (2007). Constructing mystery: Empirical matters in theory development. *Academy of Management Review, 32*, 1265-1281.
- Anand, N., & Watson, M. R. (2004). Tournament rituals in the evolution of fields: The case of the Grammy Awards. *Academy of Management Journal, 47*, 59-80.
- Avery, D. R. (2011). Why the playing field remains uneven: Impediments to promotions in organizations. In S. Zedeck (Ed.), *APA handbook of industrial and organizational psychology: Vol. 3. Maintaining, expanding, and contracting the organization* (pp. 577-613). Washington, DC: American Psychological Association.
- Anderson, D. (2003). The integration of gender and political behavior into Hambrick and Mason's upper echelons model of organizations. *Journal of American Academy of Business, 3*, 29-36.
- Beaty, J. C., Jr., Cleveland, J. N., & Murphy, K.R. (2001). The relation between personality and contextual performance in "strong" versus "weak" situations. *Human Performance, 14*, 125-148.
- Beehr, T. A., & Taber, T. D. (1993). Perceived intra-organizational mobility: Reliable versus exceptional performance as means to getting ahead. *Journal of Organizational Behavior, 14*, 579-594.
- Bell, N. E., & Staw, B. M. (1989). People as sculptors versus sculpture: The roles of personality and personal control in organizations. In M. B. Arthur, D. T. Hall, & B. S. Lawrence (Eds.), *Handbook of career theory* (pp. 232-251). Cambridge: Cambridge University Press.

- Bennis, W., & O'Toole, J. K. (2000). Don't hire the wrong CEO. *Harvard Business Review*, 78(3), 170-176.
- Bilbow, G. T., (1998). Look who's talking: An analysis of "chair-talk" in business meetings. *Journal of Business and Technical Communication*, 12(2), 157-197.
- Bommer, W. H., & Ellstrand, A. E. (1996). CEO successor choice, its antecedents and influence on subsequent firm performance. *Group & Organization Management*, 21, 105-123.
- Booz & Company (2011). *CEO succession report. 12th Annual Global CEO Succession Study*. Retrieved May 1, 2012 from www.booz.com.
- Bosley, S., Arnold, J., & Cohen, L. (2007). The anatomy of credibility: A conceptual framework of valued career helper attributes. *Journal of Vocational Behavior*, 70, 116-134.
- Boudreau, J. W., Boswell, W. R., Judge, T. A., & Bretz, R.D., Jr. (2001). Personality and cognitive ability as predictors of job search among employed managers. *Personnel Psychology*, 54, 25-50.
- Bourdieu, P. (1989). *Distinction: A social critique of the judgment of taste*. London: Routledge.
- Brass, D. J., & Burkhardt, M. E. (1993). Potential power and power use: An investigation of structure and behavior. *Academy of Management Journal*, 36, 441-470.
- Brass, D. J., Galaskiewicz, J., Greve, H. R., & Tsai, W. (2004). Taking stock of networks and organizations: A multilevel perspective. *Academy of Management Journal*, 47, 795-817.
- Byrne, D., & William, G. (1969). Similarity and awareness of similarity of personality characteristics as determinants of attraction. *Journal of Experimental Research in Personality*, 3, 179-186.

- Cannella, A. A., Jr, & Shen, W. (2001). So close and yet so far: Promotion versus exit for CEO heirs apparent. *Academy of Management Journal*, 44, 252-270.
- Cappelli, P. (2011). Succession planning. In S. Zedeck (Ed.), *APA handbook of industrial and organizational psychology: Vol. 3. Maintaining, expanding, and contracting the organization* (pp. 673-690). Washington, DC, US: American Psychological Association.
- Carpenter, M. A., Geletkanycz, M. A., & Sanders, W. G. (2004). Upper echelons research revisited: Antecedents, elements, and consequences of top management team composition. *Journal of Management*, 30, 749-778.
- Carpenter, M. A., & Fredrickson, J. W. (2001). Top management teams, global strategic posture and the moderating role of uncertainty. *Academy of Management Journal*, 44, 533-545.
- Charan, R., Drotter, S., & Noel, J. (2001). *The leadership pipeline. How to build the leadership-powered company*. San Francisco, CA: Jossey-Bass
- Ciampa, D. (2005). Almost ready: How leaders move up. *Harvard Business Review*, 83(1), 46-53.
- Canyon, M. J., & Sadler, G. V. (2001). Executive pay, tournaments and corporate performance in UK firms. *International Journal of Management Reviews*, 3, 141-168.
- Daboub, A. J., Rasheed, A. M. A., Priem, R. L., & Gray, D. (1995). Top management team characteristics and corporate illegal activity. *Academy of Management Review*, 20, 138-170.
- Eagly, A. H., & Carli, L. L. (2007). Women and the labyrinth of leadership. *Harvard Business Review*, 85(9), 63-71.
- Eagly, A. H., & Karau, S. J. (2002). Role congruity theory of prejudice toward female leaders. *Psychological Review*, 109, 573-598.

Feldman, M. S., & March, J. G. (1981). Information in organizations as signal and symbol.

Administrative Science Quarterly, 26, 171-186.

Ferris, G. R., Buckley, M. R., & Allen, G. M. (1992). Promotion systems in organizations.

Human Resource Planning, 15(3), 47-68.

Fernández-Aráoz, C. (1999). Hiring without firing. *Harvard Business Review*, 77(4), 108-120.

Fernández-Aráoz, C. (2005). Getting the right people at the top. *MIT Sloan Management*

Review, 46(4), 67-72.

Finkelstein, S. (1992). Power in top management teams: Dimensions, measurement, and

validation. *Academy of Management Journal*, 35, 505-538.

Gehrlein, W. (1983). Condorcet's paradox. *Theory and Decision*, 15, 161-197.

Gersick, C. J. G., Bartunek, J. M., & Dutton, J. E. (2000). Learning from academia: The

importance of relationships in professional life. *Academy of Management Journal*, 43,

1026-1044.

Giambatista, R. C., Rowe, W. G., & Riaz, S. (2005). Nothing succeeds like succession: A

critical review of leader succession literature since 1994. *Leadership Quarterly*, 16,

963-991.

Graen, G. B., Dharwadkar, R., Grewal, R., & Wakabayashi, M. (2006). Japanese career

progress over the long haul: An empirical examination. *Journal of International*

Business Studies, 37, 148-161.

Green, J. R., & Stokey, N. L. (1983). A comparison of tournaments and contracts. *Journal of*

Political Economy, 91, 349-364.

Gunz, H. (1988). Organizational logics of managerial careers. *Organization Studies*, 9, 529-

554.

Hambrick, D. C. (2007). Upper echelons theory: An update. *Academy of Management*

Review, 32, 334-343.

- Hambrick, D. C., & Finkelstein, S. (1987). Managerial discretion: A bridge between polar views of organizational outcomes. *Research in Organizational Behavior*, 9, 369-406.
- Hambrick, D. C., Finkelstein, S., & Mooney, A. C. (2005). Executive job demands: New insights for explaining strategic decisions and leader behaviors. *Academy of Management Review*, 30, 472-491.
- Hambrick, D. C., & Mason, P. A. (1984). Upper echelons: The organization as a reflection of its top managers. *Academy of Management Review*, 9, 193-206.
- Hamori, M. (2006). Executive career advancement in career moves across employers: The role of organization-level predictors. *International Journal of Human Resource Management*, 17, 1129-1151.
- Hamori, M. (2010). Who gets headhunted-and who gets ahead? The impact of search firms on executive careers. *Academy of Management Perspectives*, 24, 46-59.
- Hamori, M., & Kakarika, M. (2009). External labor market strategy and career success: CEO careers in Europe and the United States. *Human Resource Management*, 48, 355-378.
- Harris, K. J., Kacmar, K. M., Zivnuska, S., & Shaw, J. D. (2007). The impact of political skill on impression management effectiveness. *Journal of Applied Psychology*, 92, 278-285.
- Harrison, J. R., Torres, D. L., & Kukalis, S. (1988). The changing of the guard: Turnover and structural change in the top-management. *Administrative Science Quarterly*, 33, 211-232.
- Haslam, A. (2004). *Psychology in organizations. The social identity approach*. London: Sage.
- Highhouse, S. (2002). Assessing the candidate as a whole: A historical and critical analysis of individual psychological assessment for personnel decision making. *Personnel Psychology*, 55, 363-396.

Highhouse, S. (2008). Stubborn reliance on intuition and subjectivity in employee selection.

Industrial and Organizational Psychology, 1, 333-342.

Hogan, R., Curphy, G. J., & Hogan, J. (1994). What we know about leadership. Effectiveness and personality. *American Psychologist, 49*, 493-504.

Hollenbeck, G. P. (2009a). Executive selection – What’s right ... and what’s wrong.

Industrial and Organizational Psychology, 2, 130-150.

Hollenbeck, G. P. (2009b). Executive selection – Response to commentaries. *Industrial and Organizational Psychology, 2*, 177-180.

Hooijberg, R., Hunt, J. G., & Dodge, G. E. (1997). Leadership complexity and development of the leaderplex model. *Journal of Management, 23*, 375-408.

Hurley, A. E., Wally, S., Segrest, S. L., Scandura, T., & Sonnenfeld, J. A. (2003). An examination of the effects of early and late entry on career attainment. The clean slate effect? *Personnel Review, 32*, 133-150.

Husona, M. R., Malatesta, P. H., & Parrino, R. (2004). Managerial succession and firm performance. *Journal of Financial Economics, 74*, 237-275.

Hunt, J.G. (1991) *Leadership: A new synthesis*. Newbury Park, CA: Sage.

Ibarra, H., Carter, N. M., & Silva, C. (2010). Why men still get more promotions than women. *Harvard Business Review, 88*(9), 80-126.

Ibarra, H., Kilduff, M., & Tsai, W. (2005). Zooming in and out: Connecting individuals and collectivities at the frontiers of organizational network research. *Organization Science, 16*, 359-371.

Ibarra, H., Snook, S, & Guillen Ramo, L. (2010). Identity-based leader development. In N. Nohria & R. Khurana (Eds.), *Handbook of leadership theory and practice: A Harvard Business School centennial* (pp. 657-668). Boston: Harvard Business School Press.

- Ishida, H., Su, K.-H., & Spilerman, S. (2002). Models of career advancement in organizations. *European Sociological Review*, 18, 179-198.
- Jansen, P. G. W., & Vinkenburg, C. J. (2006). Predicting management career success from assessment center data: A longitudinal study. *Journal of Vocational Behavior*, 68, 253-266.
- Jaques, E., & Clement, S.D. (1991). *Executive leadership: A practical guide to managing complexity*. Arlington: Cason Hall.
- Judge, T. A., Cable, D. M., Boudreau, J. W., & Bretz, R. D. J. (1995). An empirical investigation of the predictors of executive career success. *Personnel Psychology*, 48, 485-519.
- Kahneman, D., Slovic, P., & Tversky, A. (Eds.). (1982). *Judgment under uncertainty: Heuristics and biases*. Cambridge, MA: Cambridge University Press.
- Kanter, R. M. (1977). *Men and women of the corporation*. New York: Basic Books.
- Kanter, R.M. (1979). Power failure in management circuits. *Harvard Business Review*, 57(4), 65-75.
- Karaevli, A. (2007). Performance consequences of new CEO 'outsiderness': Moderating effects of pre- and post-succession contexts. *Strategic Management Journal*, 28, 681-706.
- Kesner, I. F., & Sebor, T. C. (1994). Executive succession: Past, present and future. *Journal of Management*, 20, 327-372.
- Khurana, R. (2001). Finding the right CEO: Why boards often make poor choices. *MIT Sloan Management Review*, 43(1), 91-95.
- Kilduff, M., & Day, D. V. (1994). Do chameleons get ahead? The effects of self-monitoring on managerial careers. *Academy of Management Journal*, 37, 1047-1060.

- Kilduff, M., & Krackhardt, D. (1994). Bringing the individual back in: A structural analysis of the internal market for reputation in organizations. *Academy of Management Journal*, 37, 87-108.
- Krishnan, H. A., & Park, D. (2005). A few good women—On top management teams. *Journal of Business Research*, 58, 1712-1720.
- Kumra, S., & Vinnicombe, S. (2008). A study of the promotion to partner process in a professional services firm: How women are disadvantaged. *British Journal of Management*, 19, S65–S74.
- Lazear, E. P., & Rosen, S. (1981). Rank-order tournaments as optimum labor contracts. *Journal of Political Economy*, 89, 841-864.
- Levy, P. E., & Williams, J. R. (2004). The social context of performance appraisal: A review and framework for the future. *Journal of Management*, 30, 881–905.
- Lin, Z., & Li, D. (2004). The performance consequences of top management successions: The roles of organizational and environmental contexts. *Group & Organization Management*, 29, 32-66.
- Luthans, F. (1988). Successful vs. effective real managers. *Academy of Management Executive*, 2, 127-132.
- Lyness, K. S., & Schrader, C. A. (2006). Moving ahead or just moving? An examination of gender differences in senior corporate management appointments. *Group & Organization Management*, 31, 651-676.
- Magnusson, P., & Boggs, D. J. (2006). International experience and CEO selection: An empirical study. *Journal of International Management*, 12, 107-125.
- March, J. G., & Shapira, Z. (1987). Managerial perspectives on risk and risk taking. *Management Science*, 33(, 1404-1418.

- Mehra, A., Kilduff, M., & Brass, D. J. (2001). The social networks of high and low self-monitors: Implications for workplace performance. *Administrative Science Quarterly*, 46, 121-146.
- Mills, C. (2010). Experiencing gossip: The foundations for a theory of embedded organizational gossip. *Group & Organization Management*, 35, 213-240.
- Mintzberg, H. (1975). The managers' job: Folklore and fact. *Harvard Business Review*, 53(4), 49-61.
- Mischel, W. (1973). Toward a cognitive social learning reconceptualization of personality. *Psychological Review*, 80, 252-283.
- Mitchel, J. O. (1975). Assessment center validity: A longitudinal study. *Journal of Applied Psychology*, 60, 573-579.
- Mumby, D. K., & Putnam, L. L. (1992). The politics of emotion: A feminist reading of bounded rationality. *Academy of Management Review*, 17, 465-486.
- Ng, T. W. H., Eby, L. T., Sorensen, K. L., & Feldman, D. C. (2005). Predictors of objective and subjective career success: A meta-analysis. *Personnel Psychology*, 28, 367-408.
- Ocasio, W. (1994). Political dynamics and the circulation of power: CEO succession in U.S. industrial corporations, 1960–1990. *Administrative Science Quarterly*, 39, 285–312.
- Ones, D. S., & Dilchert, S. (2009). How special are executives? How special should executive selection be? Observations and recommendations. *Industrial and Organizational Psychology*, 2, 163-170.
- Offermann, L. R., Kennedy, Jr, J. K., & Wirtz, P. W. (1994). Implicit leadership theories: Content, structure, and generalizability. *Leadership Quarterly*, 5, 43-58.
- Payne, J. W. (1982). Contingent decision behavior. *Psychological Bulletin*, 92, 382-402.

- Pepermans, R., Vloeberghs, D., & Perkisas, B. (2003). High potential identification policies: An empirical study among Belgian companies. *Journal of Management Development*, 22, 660-678.
- Perry, E. L., Davis-Blake, A., & Kulik, C. T. (1994). Explaining gender-based selection decisions: A synthesis of contextual and cognitive approaches. *Academy of Management Review*, 19, 786-820.
- Pettigrew, A. M. (1992). On studying managerial elites. *Strategic Management Journal*, 13, 163-182.
- Pfeffer, J., & Salancik, G. R. (1978). *The external control of organizations: A resource dependence perspective*. New York: Harper and Row.
- Pitcher, P., Chreim, S., & Kisfalvi, V. (2000). CEO succession research: Methodological bridges over troubled waters. *Strategic Management Journal*, 21, 625-648.
- Portes, A. (1998). Social capital: Its origins and applications in modern sociology. *Annual Review of Sociology*, 24, 1-24.
- Prendergast, C., & Topel, R. (1993). Discretion and bias in performance evaluation. *European Economic Review*, 37, 355-365.
- Roberson, L., Galvin, B. M., & Charles, A. C. (2007). When group identities matter: Bias in performance appraisal. *Academy of Management Annals*, 1, 617-650.
- Rosenbaum, J. (1979). Tournament mobility: Career patterns in a corporation. *Administrative Science Quarterly*, 24, 220-241.
- Rudman, L. A., & Phelan, J. E. (2008). Backlash effects for disconfirming gender stereotypes in organizations. *Research in Organizational Behavior*, 28, 61-79.
- Ryan, M. K., & Haslam, S. A. (2007). The glass cliff: Exploring the dynamics surrounding the appointment of women to precarious leadership positions. *Academy of Management Review*, 32, 549-572.

- Schaubroeck, J., & Lam, S. S. K. (2002). How similarity to peers and supervisor influences organizational advancement in different cultures. *Academy of Management Journal*, 45, 1120-1136.
- Schneider, B. (1987). The people make the place. *Personnel Psychology*, 40, 437-453.
- Schwarz, M., & Severinov, S. (2010). Investment tournaments: When should a rational agent put all eggs in one basket? *Journal of Labor Economics*, 28, 893-922.
- Sebora, T. C., & Kesner, I. F. (1996). The CEO selection decision process: Bounded rationality and decision component ordering. *Journal of Multi-Criteria Decision Analysis*, 5, 183-194.
- Seibert, S. E., Kraimer, M. L., & Liden, R. C. (2001). A social capital theory of career success. *Academy of Management Journal*, 44, 219-237.
- Shen, W., & Cannella, A. A., Jr. (2002). Power dynamics within top management and their impacts on CEO dismissal followed by inside succession. *Academy of Management Journal*, 45, 1195-1206.
- Simon, H. A. (1987). Making management decisions: The role of intuition and emotion. *Academy of Management Executive*, 1, 57-64.
- Snyder, M., & Copeland, J. (1989). Self-monitoring processes in organizational settings. In R. A. Giacalone & P. Rosenfeld (Eds.), *Impression management in the organization* (pp. 7-19). Hillsdale, NJ: Erlbaum.
- Sorcher, M., & Brant, J. (2002). Are you picking the right leaders? *Harvard Business Review*, 80(2), 78-85.
- Stumpf, S. A., & London, M. (1981). Management promotions: Individual and organizational factors influencing the decision process. *Academy of Management Review*, 6, 539-549.

- Suppes, P., & Zinnes, J. L. (1963). Basic measurement theory. In R. D. Luce, R. R. Bush, & E. Galanter (Eds.), *Handbook of mathematical psychology: Vol. 1.* (pp. 1-76). New York: Wiley.
- Tatli, A., & Özbilgin, M. F. (2012). An emic approach to intersectional study of diversity at work: A Bourdieuan framing. *International Journal of Management Reviews*, 14, 180-200.
- Tetlock, P. E., & Mitchell, G. (2009). Implicit bias and accountability systems: What must organizations do to prevent discrimination? *Research in Organizational Behavior*, 29(1), 3-38.
- Tong, K., & Leung, K. (2002). Tournament as a motivational strategy: Extension to dynamic situations with uncertain duration. *Journal of Economic Psychology*, 23, 399-420.
- Turner, R. H. (1960). Sponsored and context mobility and school system. *American Sociological Review*, 25, 855-867.
- Turnley, W. H., & Bolino, M. C. (2001). Achieving desired images while avoiding undesired images: Exploring the role of self-monitoring in impression management. *Journal of Applied Psychology*, 86, 351-360.
- Useem, M., & Karabel, J. (1986). Pathways to top corporate management. *American Sociological Review*, 51, 184-200.
- Vancil, R. F. (1987). *Passing the baton: Managing the process of CEO selection*. Boston: Harvard Business School Press.
- Viswesvaran, C., & Ones, D. S. (2010). Employee selection in times of change. In G. P. Hodgkinson & J. K. Ford (Eds.), *International review of industrial and organizational psychology: Vol. 25* (pp. 169 – 226). Oxford, UK: Wiley-Blackwell.
- Walsh, J. P. (1988). Top management turnover following mergers and acquisitions. *Strategic Management Journal*, 9, 173-183.

- Westphal, J. D., & Khanna, P. (2003). Keeping directors in line: Social distancing as a control mechanism in the corporate elite. *Administrative Science Quarterly*, 48, 361-398.
- Westphal, J. D., & Stern, I. (2006). The other pathway to the boardroom: Interpersonal influence behavior as a substitute for elite credentials and majority status in obtaining board appointments. *Administrative Science Quarterly*, 51, 169-204.
- Westphal, J. D., & Zajac, E. J. (1995). Who shall govern? CEO / board power, demographic similarity, and new director selection. *Administrative Science Quarterly*, 40, 60-83.
- Withers, M. C., Hillman, A. J., & Cannella, A. A. (2012). A multidisciplinary review of the director selection literature. *Journal of Management*, 38, 243-277.
- World Economic Forum (2011). *The global gender gap report*. Retrieved November 9, 2011, from <http://reports.weforum.org/global-gender-gap-2011/>
- Zaccaro, S. J. (1996). *Models and theories of executive leadership: A conceptual/empirical review and integration*. US Army Research Institute. Retrieved May 1, 2012, from <http://oai.dtic.mil/oai/oai?verb=getRecord&metadataPrefix=html&identifier=ADA320259>
- Zaccaro, S. J. (2010). *In search of executive talent*. Strategic Human Resource Management Foundation. Retrieved February 20, 2011, from <http://www.shrm.org/about/foundation/research>
- Zhang, Y., & Rajagopalan, N. (2004). When the known devil is better than an unknown god: An empirical study of the antecedents and consequences of relay CEO successions. *Academy of Management Journal*, 47, 483-500.

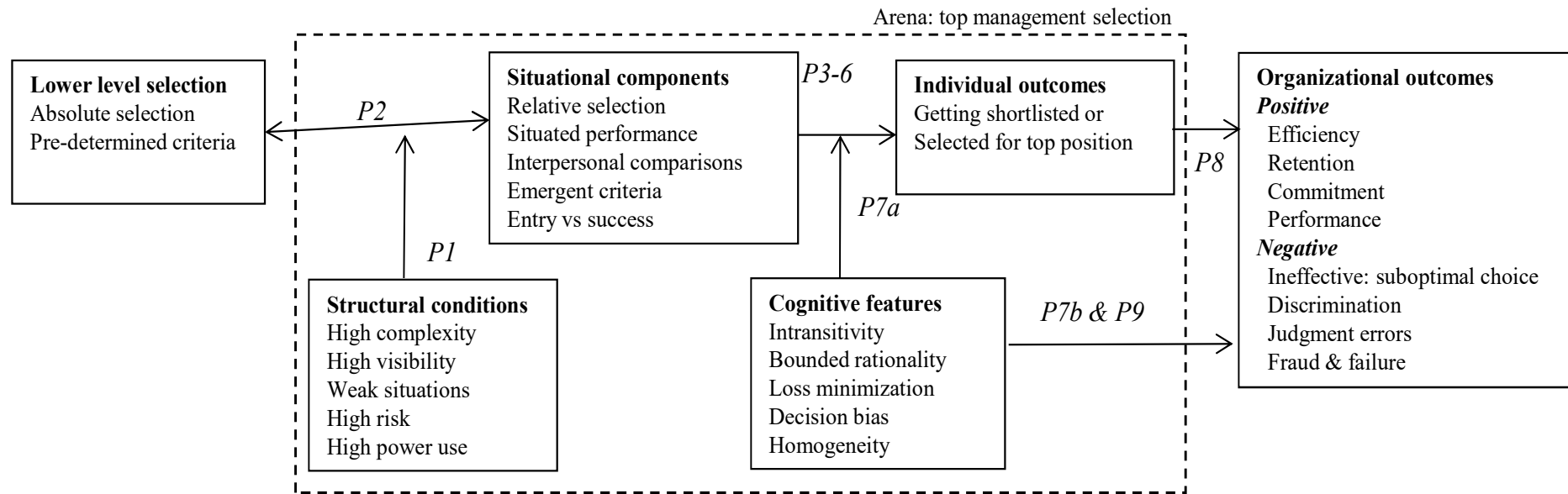


Figure 1. The arena: A visualization of the selection process for top management positions and theoretical propositions.